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August 9, 2006

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P. O. Box 541
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Henry Q Curtis Life of the Land 76 North King Street, Suite 203 Honolulu, Hawaii 96817

Re: Docket No. 03-0253 - HECO's Integrated Resource Planning

## Dear Parties:

Sections 111(d)(12), 111(d)(13) and 112(b)(3)(A) of the Public Utility Regulatory Policies Act of 1978 ("PURPA"), as amended by the Energy Policy Act of 2005, require the Commission to commence consideration of the following matters governing fuel diversity and fossil fuel generation efficiency, no later than August 8, 2007:<sup>1</sup>

This chapter applies to each electric utility in any calendar year, and to each proceeding relating to each electric utility in such year, if the total sales of electric energy by such utility for purposes other than resale exceeded 500 million kilowatt-hours during any calendar year beginning after December 31, 1975, and before the immediately preceding calendar year.

<sup>&</sup>lt;sup>1</sup>Section 102(a) of PURPA states:

William A. Bonnet Cheryl S. Kikuta Henry Q Curtis August 9, 2006 Page 2

- (12) FUEL SOURCES Each electric utility shall develop a plan to minimize dependence on 1 fuel source and to ensure that the electric energy it sells to consumers is generated using a diverse range of fuels and technologies, including renewable technologies.
- (13) FOSSIL FUEL GENERATION EFFICIENCY Each electric utility shall develop and implement a 10-year plan to increase the efficiency of its fossil fuel generation.

16 U.S.C. § 2621(d)(12) - (13). See also 16 U.S.C. § 2622(b)(3)(A).

Please provide a statement describing your position, if any, on whether the commission should adopt, modify, or decline to adopt in whole or part, the standards articulated above, as well as procedural comments and suggestions as to how this issue should be considered in this docket or in a separate proceeding. Your position statements, if any, should be filed in this docket by December 1, 2006.

Sincerely,

Catherine P. Awakuni Commission Counsel

Dis A. awal:

CPA:eh

c: Dean Matsuura

Thomas W. Williams, Jr., Esq./Peter Y. Kikuta, Esq.